



COUTO HOMES

LUXURY DESIGN. *Family* APPEAL.

PRE-CONSTRUCTION SERVICES AGREEMENT BETWEEN HOMEOWNER(S) AND BUILDER

The

Residence

- | | | | | | | |
|--------------------------------|-------------|----------------|----------|-------------------------------|-----------------------------------|------------------------------|
| 1. | 2. | 3. | 4. | 5. | 6. | 7. |
| Site Selection
and Analysis | Plan Design | Specifications | Contract | Customer to
Set Up Funding | Permits /
Engineering /
HOA | Construction
Commencement |

This is an Agreement between Couto Homes, Inc. hereinafter known as the “Builder” and Client 1 and Client 2 wherein after known as the “Owners”, to provide Pre-Construction Management services for the proposed construction of the Owners’ new residence located at:

_____ Couto Lot Lot: _____ Blk: _____ _____

_____ Customer Lot _____ _____ _____

1. Relationship of Parties

A. Role of Builder in Pre-Construction Services Agreement

The Builder accepts the relationship of trust and confidence established with the Owners by this Agreement, and covenants with the Owners to furnish reasonable skill and judgment. The Builder shall furnish Pre-Construction Administration and Project Management Services and use his best efforts to provide these Services in an expeditious and economical manner consistent with the interests of the Owners. The Builder shall participate in responding to all requests for information from Owners, Bankers, Surveyor, (outside architect if applicable) and other project team members. The Builder will represent the interests of the Owner on site when required and where necessary. The Builder will source and price those finishes and materials as requested as under consideration for use by the Owners in their new residence. The Builder will represent the Owners to the Town and County Municipalities in obtaining all necessary permits. The Builder will endeavor to meet the projected budget and scheduling goals as set forth by the Owners and to efficiently and in a timely manner produce a fixed price contract in harmony with those goals.

2. Pre-construction Phase

A. Preliminary Site Analysis

The Builder shall research current Site limitations and Cost variables that may exist to make site Build-Ready. The cost will then be sent over to the Owners for review. Customer agrees to have site free of all trees at home location in order for a proper site assessment to take place. Builder will have the right to mobilize equipment at the site for a soil boring of the home location and respective lab results to properly analyze the soil composition and its suitability for a home to be placed on it. Certain costs may remain unknown until the final design is completed, such as driveway size, exact landscaping required, final dirt work cost, piling requirements, etc.

B. Preliminary Floorplan, Elevation, Electrical, Site plan

The Builder shall perform and review all project documents to become familiar with the current proposed Project, the requirements of the building site and of the municipality, which together describe the scope of work. The Builder will communicate with Drafting and Surveyor to develop a site plan including location of all buildings and other improvements. This site plan will become part of the construction agreement along with the architectural plans and Couto Homes Detailed Specifications including all materials, proposed finishes and colors to complete the project.

C. Constructability

The Builder shall provide specific input relative to issues concerning constructability, cost effectiveness, cost analysis of specific design alternatives under consideration, scheduling and value engineering alternatives.

D. Phased Construction

The Builder shall communicate with the Owners regarding the phased issuance of Drawings and Specifications to facilitate phased construction of the Work, if required as appropriate for the Project taking into consideration such factors as budget, schedule, and the availability of labor and materials.

E. Preliminary Cost Estimates

The Builder shall prepare preliminary Cost projections based upon the design documents as they appear from Design Development through Construction Documents and update the pricing report on a periodic basis as revisions are issued and possible. Custom Options will have delays in pricing as they require multiple avenues of research and pricing to develop. They will consist of cost estimates and all items inferable and required for a complete and coordinated Fixed Price Contract; this budget will provide the basis for establishing such a Contract. Price will not be fixed until contract signing and will be subject to building cost fluctuations that may occur through the design phase.

F. Extent of Responsibility

The Builder agrees to exercise reasonable skill and judgment in the preparation of schedules and estimates. The recommendations and advice of the Builder concerning design alternatives shall be subject to the review and approval of the Owners and the in accordance with HOA, and / or municipalities.

3. Construction Phase

Construction Contract

The Builder shall prepare and submit to the Owners, in writing, a fixed price contract once the plans and specifications are substantially complete.

The goal is to finish the Drawings and Specifications for this date. If they may not be finished at the time the fixed price contract is prepared, the Builder shall provide allowances in the

Construction Contract. Changes in scope, systems, kinds, and quality of materials, finishes or equipment will require a change order.

The fixed price contract shall include

1. The approved Drawings and Specifications, including all addenda there to and the Conditions of the Contract.
2. A statement of the actual or estimated date of substantial completion. Date will be extended by such factors as weather conditions, availability of labor, availability of materials, changes, customer indecisiveness, etc.
3. The fixed price

* Customer will have an opportunity to review all these items prior to contract Signing.

4. Fee Structure for Pre-Construction Services

- _____ **\$5,000** DEPOSIT TO COMMENCE PROJECT FOR **CLASSIC SERIES**
- _____ **\$7,500** DEPOSIT TO COMMENCE PROJECT FOR **SIGNATURE SERIES**
- _____ **\$10,000** DEPOSIT TO COMMENCE PROJECT FOR **EXECUTIVE SERIES**
- _____ **\$12,500** DEPOSIT TO COMMENCE PROJECT FOR **LUXURY SERIES**

This deposit will be credited (subtracted from total) to the Owner at time of contract. It is important to note that Couto Homes does not transfer ownership of plans. The Deposit will be non-refundable, and the customer is entitled to receive all documents from site analysis only.

5. Design Time Included

There are 9 design meeting hours, as measured by the Design Specialist.

- **1st Meeting:** 2 hours
- **Cabinets:** 2 hours
- **Countertops:** 1 hour
- **Lighting:** 2 hours
- **Flooring:** 2 hours

An hourly rate of \$350.00 will be billed to the Owner past the allotted hours set forth above.

6. Drafting Time Included

The following drafting hours are allotted per Series and measured by the drafting software utilized by the Drafter.

- **Classic Series:** 20 Working Hours,
- **Signature Series:** 40 Working Hours,
- **Executive Series:** 60 Working Hours,
- **Luxury Series:** 80 Working Hours,

An hourly rate of \$120.00 will be billed to the Owner past the allotted hours stated above. If you are unsure which Series you have selected, please consult your Home Specialist or visit www.CoutoHomes.com for more information.

7. Express Custom Home Program

In order to qualify for the Express Custom Home program ALL of the following must apply.

- Home Customizations are limited to the Interactive options featured on CoutoHomes.com, including Floorplan and Elevations
- Home Design and Specifications are Completed within 30 days
- No Additional Structural changes are made to the plans beyond the interactive options available
- Only Standard pre-determined Specification options can be selected

8. Custom Home Program

Customer will choose a home plan as a starting point. Through a series of interactive options and additional personalization's, Builder and Client will work together to achieve a home that meets customer's needs. If at any point, the home design and / or personalization of features fall outside of the range of what the builder's skill set may be to accomplish a successful project

Builder will let Client know and suggest design variations that may achieve Clients desired outcome.

9. Reimbursable Expenses to Builder should the customer pause or cancel the project

Should the project cease to progress for any reason (a measure of 10 days with lack of communication or plans and specifications are not complete by 90 days from date of this agreement), customer will be billed at the rates set forth below. Should a deposit exist, it will be applied towards the final bill and paid within 10 days of invoice from Couto Homes. Couto Homes Blueprints and Specifications are copyright protected and not to be used by parties outside of the Couto Homes Organization.

Fees to be reimbursed

All fees incurred by builder such as survey, building permits, tap fee's, soil testing, soil reports, etc. will be reimbursed by customer to builder.

Couto Office Staff time to be reimbursed

Drafting Expenses are Billed at \$120 / Hour.

Home Specialist Expenses are Billed at \$120 / Hour.

Accounting Expenses are Billed at \$120 / Hour.

Permitting/Engineering/HOA are Billed at \$120 / Hour.

This Agreement is entered as of _____ 20 ____ .

*Expires 6 months from this date

(Signature)
Couto Homes, Inc.

(Signature)
Client 1, Homeowner

(Signature)
Client 2, Homeowner

Office Use Only

Date Pre-Con Signed: _____

Date Pre-Con Deposit Received: _____

Home Specialist Assigned: _____